

made America less safe for our citizens. Is that really the policy results this administration is seeking?

Congress must take steps to ensure that America's national security interests are paramount in conducting our military and diplomatic missions.

CHINA TRADE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from New Jersey (Mr. PASCARELL) is recognized during morning hour debates for 5 minutes.

Mr. PASCARELL. Mr. Speaker, this morning I would like to address something we started to talk about last evening, and that is the vote we will be taking probably tomorrow on China and our trade relations with China.

The minority leader wrote a book last year, *An Even Better Place, America in the 21st Century*, where he dismissed as ludicrous the contention that expanded trade fosters democracy in China. "America has to stand for something more than money," the Minority Leader said, and I agree with him wholeheartedly.

It seems to sum up what we have been saying, we opponents. We are not or do not wish to cut off relationships with China and the Chinese people. In fact, our argument is not with the Chinese people, our argument is with the authoritarian government which has tortured, which has beaten down any dissidents, any opposition.

Strictly on the issue of security, the proponents of permanent trade relations with China, normal relationships, whatever we wish to call them, they have been talking first about the jobs that would be created, and then when they could not win that battle, they switched to the issue of national security.

Three points.

My main thrust is jobs this morning. We know that in these past 10 years, China has targeted up to 18 intercontinental ballistic missiles at the United States.

Two, during this same period of time, we signed an export control waiver which allowed the top campaign fund-raisers in aerospace companies to transfer sensitive missile guidance technology to China.

Number three, during the same period we shifted the prime satellite export responsibility from the State Department to the Commerce Department. In the sequel to "sleeping with the enemy," I would imagine this is pretty consistent. This in no way is going to strengthen the security of the United States. This deal is a bad deal.

The worst part of the deal is for the American workers. As China seeks entry to the World Trade Organization, and as our trade deficit with China soars to record heights, \$70 billion by

the end of this year, at least, our manufacturing jobs are being sucked from our shores away from our workers.

This is critical to understand, because if we are not going to help produce more jobs in America and sustain the economy, the robust economy that we have, then where will jobs be created, if not in America? These jobs are going to places like China, where there is no regard for labor, where there is no regard for human safety, and where there is no regard for environmental or health standards.

I find that it is best to take a step back and look at exactly what is happening. Granting PNTR to China would strip America's ability to keep check on the Communist regime. Granting PNTR to China says that China has gained our trust and approval, and I would be saying that I believe this trade deal is the best thing for the people of my district.

But as I mentioned last night, I did have a nightmare on Thursday evening, after standing with the 60 dissidents east of the Capitol here. I dreamt with horror that there was an uprising in China, as there are many dissidents who are afraid to speak up at this moment, and that this great country, this pillar of democracy in the world, the greatest democracy that the world has ever known, stood alongside of the authoritarian, totalitarian Chinese government to put this insurrection down. That is a horror show.

Mr. Speaker, I would like to start by thanking my colleague from Oregon, Mr. DEFAZIO, for his tremendous leadership, in standing up for working people worldwide. I am pleased to join him here today.

There is a reason that the proponents of this flawed deal have been touting the national security and "theoretical" reform benefits they see in this package. Because they know that the argument that this bill is good for our working families is just plain wrong!

As China seeks entry to the World Trade Organization, and as our trade deficit with China soars to record heights, our manufacturing jobs are being sucked from our shores, away from our workers.

Those jobs are going to places like China where there is no regard for labor, safety, environmental or health standards.

When dealing with issues such as this, I find that it is best to take a step back and look at exactly what we are doing. What does this vote mean?

Day after day I try to work with firms, be they manufacturing, or textile, or other small businesses, to see what I can do to assist the business in reaching its fullest potential.

How can I vote on Wednesday to send these businesses and jobs overseas?

Normal Trade Relations? This does not seem normal to me!

I cannot stress enough, the mistake we will make by passing this bill later this week. I understand that unemployment is at its lowest, and that the economy is soaring.

But workers are making less money than ever. After NAFTA, we saw tens of thousands

of good jobs, with benefits, and security go South to Mexico. What has increased has been the number of temporary workers. Companies have been hiring people to work full time jobs, without health plans, without protections, not on salary.

The bottom line is that this is not a government in China that we have been able to trust. It has broken every commitment it has made with the United States of America.

It has broken every trade agreement it has signed with the United States over the past 10 years.

Supporters of PNTR claim that China will buy our imports. But I do not see the infrastructure or the wealth in China to accept any substantial amount of American merchandise. Business does not want to sell cars to China, they want to build cars in China.

Over the past ten years, our trade deficit with China has ballooned from 7 billion dollars to 70 billion dollars! There is currently a 6-to-1 ratio of imports to exports.

Supporters of this flawed bill claim that we need PNTR to see our economy grow. That fact is however, that China has had NTR over the past twenty years, and things continue to get worse. We are taking a bad deal and making it permanent.

In the United States, we have seen a dangerous shift from a production to service based economy. This deal threatens the tremendous creative spirit of our nation with the prospect of exploitation overseas.

I will not vote for a proposal that is downright dangerous to our society at large.

We can and will not surrender our manufacturing base, our production, our jobs.

Manufacturing is tremendously important to my district. There are 1,114 manufacturing firms who employ 57,000 workers in the Eighth District, and these firms are critical to our infrastructure.

Granting PNTR to China would strip America's ability to keep check on the communist regime in China. Granting PNTR to China says that China has gained our trust and approval, and I would be saying that I believe this trade deal is the best thing for the people of my district.

I will not do that, because this is a bad deal for our workers.

The numbers do not lie. If PNTR is granted, New Jersey will see 22,276 jobs lost over the next ten years. The United States as a whole will suffer a net job loss of 872,000 jobs over the same ten years.

Proponents like to talk about job creation, but they do not like publicizing the job loss on our side.

The real job creation will be in China, where U.S. businesses will flock with their factories.

They will go there to pay thirty-three, thirteen, even three-cents per hour in sweatshops that are basically workshops from a maximum-security penitentiary.

Big business in America wants to exploit a labor force that cannot go on strike for higher wages, or for better conditions. It wants to take advantage of a labor force that is oppressed by its government. In fact, China has prison labor camps listed among its manufacturing companies!

Why is this year any different? Why is this trade deal any different? What has China

done to gain our trust, besides stealing of our nuclear secrets?

China is not all of a sudden going to play by the rules. They will not limit their imports. China will not be a good trading partner, because there is no enforcement or reason to be.

With permanent NTR, we will have thrown in our last chip on keeping China in check.

This deal is bad for my district, New Jersey, and the country. I stand with environmentalists, veterans, human rights activists, and most importantly, working families, to oppose this legislation.

The timing is wrong, and the deal is wrong.

Now is not the time we should not vote to rubber-stamp a failed trading arrangement into infinity.

Trade rights should be a privilege to be earned, not a right merely handed out!

INTERNATIONAL TRADE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Texas (Mr. PAUL) is recognized during morning hour debates for 5 minutes.

Mr. PAUL. Mr. Speaker, this week there will be a lot of talk on the House floor about international trade. One side will talk about pseudo free trade, the other about fair trade. Unfortunately, true free trade will not be discussed.

Both sides generally agree to subsidies and international management of trade. The pseudo free trader will not challenge the WTO's authority to force us to change our tax, labor, and environmental laws to conform to WTO rules, nor will they object to the WTO authorizing economic sanctions on us if we are slow in following WTO's directives.

What is permitted is a low-level continuous trade war, not free trade. The current debate over Chinese trade status totally ignores a much bigger trade problem the world faces, an ocean of fluctuating fiat currencies.

For the past decade, with sharp adjustments in currency values such as occurred during the Asian financial crisis, the dollar and the U.S. consumers benefitted. But these benefits will prove short-lived, since the unprecedented prosperity and consumption has been achieved with money that we borrow from abroad.

Our trade imbalances and our skyrocketing current account deficit once again hit a new record in March. Our distinction as the world's greatest debtor remains unchallenged. But that will all end when foreign holders of dollars become disenchanted with financing our grand prosperity at their expense. One day, foreign holders of our dollars will realize that our chief export has been our inflation.

The Federal Reserve believes that prosperity causes high prices and rising wages, thus causing it to declare war on a symptom of its own inflationary

policy, deliberately forcing an economic slowdown, a sad and silly policy, indeed. The Fed also hopes that higher interest rates will curtail the burgeoning trade deficit and prevent the serious currency crisis that usually results from currency-induced trade imbalances. And of course, the Fed hopes to do all this without a recession or depression.

That is a dream. Not only is the dollar due for a downturn, the Chinese currency is, as well. When these adjustments occur and recession sets in, with rising prices in consumer and producer goods, there will be those who will argue that it happened because of, or the lack thereof, of low tariffs and free trade with China.

But instead, I suggest we look more carefully for the cause of the coming currency crisis. We should study the nature of all the world currencies and the mischief that fiat money causes, and resist the temptation to rely on the WTO, the IMF, the World Bank, pseudo free trade, to solve the problems that only serious currency reform can address.

TRADE WITH CHINA BUT NOT WITH CUBA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Oregon (Mr. DEFAZIO) is recognized during morning hour debates for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, today the House will not consider the agriculture appropriations bill because the leadership on the Republican side of the aisle so vehemently opposes one tiny provision of that bill. That is the provision that would allow the sale of food, food, to Cuba.

Cuba is such a threat to the United States of America that the sale of food could jeopardize our national security. Sell them eggs? They might throw them back at us.

Let us compare and contrast their attitude about Cuba to their attitude about China. Tomorrow those same Republican leaders are pushing as hard as they can to have a truncated 3-hour debate on the issue of so-called permanent normal trade relations for China.

They want to sell them anything and everything: aerospace technology. They have already stolen the warhead technology. Missile technology. We are helping them improve their missiles. That little flurry we had about preventing that last year? Well, that died in the conference committee. We are selling them missile technology. They have targeted us with 19 missiles, but they are not very accurate. We want to help them with their accuracy, anything they might want to buy.

They are not a threat, somehow. We are going to engage them. But Cuba, Cuba is such a threat that food, we

cannot sell food to Cuba. Do not worry, they might throw those eggs back at us.

A leader on the other side said, it is very easy to see the distinction between the two cases. If we cannot see it, I do not know, maybe we are just blind to it.

Let us just look at the distinctions in the State Department report. I have blanked out the countries. See if Members can guess which is an authoritarian state.

The blank is an authoritarian state in the blank Communist party is the paramount source of power. Citizens lack both the freedom to peacefully express opposition to the party-led political system and the right to change their national leaders or form of government. Prison conditions at most facilities remain harsh.

That is one of these countries. Here is the other. The blank is a totalitarian state controlled by blank who is chief of state, head of government, first Secretary of the Communist party, and Commander in Chief of its armed forces. Citizens do not have the right to change their government peacefully. Prison conditions remain harsh.

One of those countries the United States will trade anything and everything with, and the other one we will not even sell them food, but they kind of sound identical, do they not? They oppress their people, they have harsh prison conditions, political prisoners, religious prisoners, prisoners of conscience.

One of them presents a threat to the United States of America so grave they cannot buy food. The other, a country of 1 billion people that is selling sensitive nuclear technology to terrorist nations, that has violated every trade agreement it has entered into with the United States of America, that horribly oppresses its people, that crushes students with tanks, well, they are okay. We want to engage them, and we will sell them anything and everything they want.

We will be allowed 3 puny hours to debate this issue tomorrow because the Republicans have a big dinner. The biggest trade issue before the United States Congress this year, and 3 hours of debate. It sounds like the deal is cut on that side of the aisle, and it is cut for one thing, campaign contributions from the big business that is pushing this stuff through this body.

SOCIAL SECURITY AND MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 19, 1999, the gentleman from Michigan (Mr. SMITH) is recognized during morning hour debates for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, social security, as we see on this chart, now is the largest expenditure of